

**UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK**

-----X
FOUR PAWS PRODUCTS, LTD.,

Plaintiff,

-against-

**R SABEE COMPANY, LLC, and
DRAPER PRODUCTS INC.,**

Defendants.
-----X

Case No. 07 CV 6267

Hon. Sidney H. Stein

**REPLY TO
COUNTERCLAIM**

Plaintiff Four Paws Products, Ltd. ("Plaintiff"), by its attorneys, Kane Kessler, P.C., as and for its reply to the counterclaim of defendants R Sabee Company, LLC and Draper Products, Inc. (collectively hereinafter referred to as the "Defendants"), respectfully alleges as follows:

1. Plaintiff denies knowledge or information sufficient to form a belief concerning the truth of the allegations contained in paragraph 1 of the counterclaim.
2. Plaintiff denies knowledge or information sufficient to form a belief concerning the truth of the allegations contained in paragraph 2 of the counterclaim.
3. Plaintiff admits the allegations contained in paragraph 3 of the counterclaim.
4. Plaintiff admits the allegations contained in paragraph 4 of the counterclaim.
5. Answering paragraph 5, Plaintiff admits that Plaintiff and R. Sabee discussed the possibility that Plaintiff would increase the number and volume of products that R. Sabee manufactured for Plaintiff, but denies that such discussions commenced in or around 2006.

6. Answering paragraph 6, Plaintiff admits the allegations contained therein to the extent that any increase referred to in paragraph 5 of the counterclaim was conditioned upon an amicable resolution of the dispute between Plaintiff and R. Sabee concerning the Confidentiality and Non-Competition Agreement.

7. Plaintiff admits the allegations contained in paragraph 7 of the counterclaim.

8. Plaintiff denies the allegations contained in paragraph 8 of the counterclaim.

9. Plaintiff denies the allegations contained in paragraph 9 of the counterclaim.

10. Plaintiff denies the allegations contained in paragraph 10 of the counterclaim.

11. Plaintiff denies the allegations contained in paragraph 11 of the counterclaim.

12. Plaintiff denies the allegations contained in paragraph 12 of the counterclaim.

FIRST AFFIRMATIVE DEFENSE

The counterclaim fails to state a claim upon which relief may be granted.

SECOND AFFIRMATIVE DEFENSE

The claims of Defendant R. Sabee are barred by the statute of frauds.

THIRD AFFIRMATIVE DEFENSE

Defendant R. Sabee has failed to mitigate its damages, if any.

WHEREFORE, Plaintiff demands judgment against defendant R. Sabee Company, LLC dismissing the counterclaim in its entirety, with prejudice, plus the costs and disbursements of this action, and such other relief as this Court deems to be just, proper and equitable.

Dated: New York, New York
August 22, 2007

KANE KESSLER, P.C.

By: 

Dana M. Susman (DS-5436)

S. Reid Kahn (SRK-1458)

Attorneys for Plaintiff

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New York, New York 10019

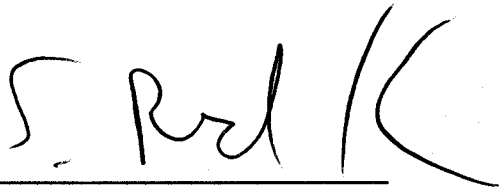
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TO: **REINHART BOERNER**
VAN DEUREN, s.c.
Attorneys for Defendants
1000 N. Water Street – Suite 2100
Milwaukee, WI 53202
(608) 298-1000

CERTIFICATE OF SERVICE

The undersigned, a member of the Bar of this Court, hereby certifies that a copy of the foregoing *Reply to Counterclaim* was served upon the following via regular mail on the 22nd day of August, 2007:

**REINHART BOERNER
VAN DEUREN, s.c.**
Attorneys for Defendants
1000 N. Water Street – Suite 2100
Milwaukee, WI 53202



S. Reid Kahn, Esq. (1458)

Dated: August 22, 2007